

REASON NINE

By Jeff Vanek

International Business Utah's Global Connection



IN THE 1800s, Utah became known as the “Crossroads of the West.” It earned this title because of its central location to the rest of the western United States and the many travel routes to other parts of the country that crossed through the state. Not far north of Salt Lake City, at Promontory Point, the first transcontinental railroad was completed. With a ceremonial driving in of a golden spike to complete the final link, the eastern and western United States were joined together with the most state-of-the-art transportation.

To this day, the latest technologies are still found in Utah, and primary metals such as gold remain an important part of its economy. Utah remains the “Crossroads of the West,” but now its reach extends worldwide.

A GLOBAL PLAYER

As host of the 2002 Winter Olympics, Utah proved that it is a world-class destination with much to offer. The Salt Lake International Airport, which serves as a hub for Delta Air Lines, makes access to the world convenient for those who choose Utah as a business partner or as a destination spot.

One of the greatest assets the state has to offer is the language abilities and foreign experiences of its young, highly-educated population. The median age in Utah is 28 years, and 90 percent of the population are high school graduates or hold a higher degree. A very large number of those who live in Utah, from the poorest college student to Gov. Jon Huntsman Jr., speak a second language fluently.

Along with being fluent in Mandarin Chinese, Huntsman has also served as the United States Ambassador to Singapore. From the island nations of the South Pacific, to the countries of Europe, Asia, South American and Africa, there are people in Utah who have lived in, and are fluent in, the languages of those countries.

Huntsman was also deputy assistant secretary of commerce for trade

development and deputy assistant secretary of commerce for East Asian and Pacific Affairs under President George H. W. Bush. Owing in part to the governor's experience and his fluency in Mandarin, Asia is one region of the world that Utah is targeting for increased trade and cultural opportunities. In fact, several countries in this region, including Japan, Singapore, China and the Philippines, have ranked in the top 10 countries for Utah exports. According to the U.S. Department of Commerce, computers and electronics are Utah's largest export to China. China also makes large purchases of food, scrap metal and chemicals from Utah.

“The governor's experience is a unique asset,” says Chris Roybal, senior advisor for economic development in the governor's office. “Our language capabilities are a unique asset. Our geographic location centered in the western United States is a unique asset. The age of our labor pool is a unique asset. The academic institutions Utah has, and their stra-

tegic focus, are all very compelling reasons why there are so many great opportunities in Utah.”

PARTNERS IN TRADE

Canada tops the list of Utah's foreign trading partners. Stan Rees, director of the Salt Lake Export Assistance Center of the U.S. Department of Commerce's Utah office, says, “Everything Utah companies sell in the U.S. they sell to Canada, from primary metals to transportation equipment to technology to nutritional supplements to biomedical equipment.” Rees points out that many Utah companies that sell to Canada can easily sell to other countries because they are already familiar with international trade settings where the paperwork and process is essentially the same. “Sometimes they forget they are exporting to a foreign country when they say they sell products in Canada because of the similarities of our two countries, but they are,” Rees says. “If they can export to Canada, they already know how to export to other markets. We have

a lot of innovation in Utah—great ideas, great products and innovative people. As their companies grow, the natural thing is to go international.”

According to data from the U.S. Department of Commerce, Utah's top exports come from several thriving sectors, including primary metal manufacturers, computers and electronics, transportation equipment, chemical manufacturers, processed foods, machinery and mining. Top export markets are to Canada, Switzerland, the United Kingdom, Japan, Germany, Singapore, China, Mexico, Philippians and the Netherlands.

With its Consulate General Office located in Salt Lake City, Mexico stands as another important trading partner with Utah. Given Utah's proximity to Mexico, the Huntsman administration has made it a priority to strengthen trade and cultural and educational relationships with the nation's neighbor to the south. In the past year, Huntsman personally visited Mexico president Vicente Fox for the purpose of strengthening economic ties.

GLOBAL EDUCATION

At all levels of education, Utah is aggressively expanding how it does business with the world. The Utah office of the U.S. Department of Commerce will soon be located at the International Business Center being developed by Salt Lake Community College. This relationship will help the center accomplish two of its primary goals. The first is to export training and development to those who want to do business in Utah. The second is to bring together Utah entrepreneurs who wish to do business internationally.

The college has already successfully worked with citizens in a city in Iraq to help it develop a business innovation center of its own. “They were thrilled with our model for integration of education into the business community for economic development,” says Karen Gunn. Gunn, who serves as division chair of the business and employer outreach program for Salt Lake Community College, said the college is also involved in a second similar project in the Ukraine.

WORLD TRADE CENTER

Another significant effort underway in Utah is the development of a World Trade Center, which will act as a hub for international activity in the state. This private/public effort is being supported by key players in Utah's educational, business, financial, services and governmental sectors.

“Utah has expertise in the health sciences and information technology,” says Jack Sunderlage, CEO of ContentWatch and chair of the World Trade Center Initiative and the Utah Information Technology Association. “The World Trade Center is an opportunity to expand international activity in these areas.” Sunderlage emphasizes the great networking advantage that a World Trade Center brings when it comes to entering or expanding new international markets: “China is a high growth market opportunity. There are currently five Trade Centers in China, and they will be building forty more. This is a way to be a player there; it gives Utah an inside opportunity that would otherwise be a more difficult task.”

Lane Beattie, president of the Salt Lake Chamber of Commerce, also supports the Trade Center Initiative and notes the effect the Olympics had on Utah's international image. “The world shrunk for many Utah businesses,” he says. “It opened a lot of people's eyes to possibilities. They went from saying, ‘How do we do that?’ to ‘Wow! We can do that!’ when it came to international business.” Beattie points out that Utah currently exports many agricultural products, besides high technology, and the trade center would be a resource to all businesses in Utah. It would also be a resource for those who want to come to Utah to do business.

A WELCOME MAT FOR GLOBAL BUSINESS

Beyond focusing on Utah's main exports, the State is also putting out the welcome mat to the rest of the world. Utah offers “ease, convenience and variety,” says Leigh von ver Esch, director of the Utah Office of Tourism. “If you look at the advertising for many of the other states, it mentions their uniqueness, their diversity. Utah has all of that in spades, but we



also have the ease of getting there. Good heavens, you can be on the ski slopes in Utah before you can even get your luggage off the carousel in many airports. You can leave New York City at seven in the morning and be on the Utah slopes by noon local time. People like to brag about what they did on their vacation here, that it was unbelievable. You can have that kind of vacation in Utah.”

Besides several premier ski resorts located less than forty minutes from the airport, Utah has the nation's greatest concentration of national parks in the southern part of the state. Additionally, there are 41 heritage, scenic and recreational state parks in Utah, each offering a unique beauty and a wide variety of summer and winter recreational opportunities.

When it comes to international business, Utah is an extraordinary destination. Whether it is a company looking for international markets, or an international company looking to enter the U.S. market, Utah has the elements necessary for success.

“The governor's experience is a unique asset. Our language capabilities are a unique asset. Our geographic location centered in the western United States is a unique asset. The age of our labor pool is a unique asset. The academic institutions Utah has, and their strategic focus, are all very compelling reasons why there are so many great opportunities in Utah.”

Chris Roybal
senior advisor for
economic development
in the governor's office